



## Acton Agua Dulce Unified School District

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July 18, 2016

# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

42 August 2, 2016

The Honorable Board of Supervisors  
County of Los Angeles  
Room 383 Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

  
LORI GLASGOW  
EXECUTIVE OFFICER

Re: Not To Exceed \$7,500,000 Acton-Agua Dulce Unified School District (Los Angeles County, California) 2016 General Obligation Refunding Bonds

Dear Supervisors:

At an election held on November 4, 2008 in the Acton-Agua Dulce Unified School District (the "District"), there was submitted and approved by the requisite 55% vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District in the maximum principal amount of \$13,000,000 (the "2008 Authorization"). Pursuant to the 2008 Authorization, the District issued (i) its Acton-Agua Dulce Unified School District (Los Angeles County, California) General Obligation Bonds Election of 2008, Series A, dated April 14, 2009 in the aggregate original principal amount of \$10,710,490.65 (the "Prior Bonds"), and (ii) its Acton-Agua Dulce Unified School District (Los Angeles County, California) General Obligation Bonds Election of 2008, Series 2009, dated April 14, 2009 in the aggregate original principal amount of \$2,288,946.75.

In order to refinance a portion of the outstanding Prior Bonds, on May 26, 2016, the governing board of the District adopted a resolution (the "District Resolution") authorizing the issuance and sale of the District's 2016 General Obligation Refunding Bonds (the "Bonds") in the aggregate principal amount not to exceed \$7,500,000 pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of division 2 of Title 5 of the California Government Code, commencing with Section 53550 of said Code. A signed original District Resolution is attached hereto.

The District, formally requests, in accordance with applicable law, that the Los Angeles County Board of Supervisors (the "Board of Supervisors") adopt the enclosed resolution to levy the appropriate taxes and to direct the County Auditor-Controller to place these taxes on the tax roll every year according to the debt service schedule to be supplied by Caldwell Flores Winters, Inc., financial advisor. The Bonds are expected to be sold by private placement to JPMorgan Chase Bank, N.A. on July 19, 2016.

IT IS THEREFORE RECOMMENDED THAT:

1. The Board of Supervisors adopt the enclosed resolution.

2. After the Board of Supervisors has taken action on this letter, the District requests that the Executive Officer-Clerk of the Board furnish (2) certified copies of this Resolution to:

William J. Kadi, Esq.  
Jones Hall, A Professional Law Corporation  
475 Sansome Street, Suite 1700  
San Francisco, CA 94111,

and send one (1) copy of this Resolution to each of the following:

Los Angeles County Treasurer and Tax Collector  
Attn: John Patterson  
Assistant Director – Public Finance  
500 W. Temple Street, Room 432  
Los Angeles, California 90012

Los Angeles County Auditor-Controller  
Attn: Jackie Guevarra, CPA  
Principal Accountant-Auditor  
500 W. Temple Street, Room 603  
Los Angeles, California 90012

Los Angeles County Counsel  
Attn: Thomas R. Parker  
Deputy County Counsel  
500 W. Temple Street, Room 653  
Los Angeles, California 90012

Yours very truly,

ACTON-AGUA DULCE UNIFIED SCHOOL  
DISTRICT

By: Dr. Steve Budhraya

Its: Chief Financial Officer

cc: County Counsel (w/attachments)

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF  
LOS ANGELES, CALIFORNIA, AUTHORIZING THE LEVY OF TAXES FOR 2016  
GENERAL OBLIGATION REFUNDING BONDS OF THE ACTON-AGUA DULCE  
UNIFIED SCHOOL DISTRICT, DESIGNATING THE PAYING AGENT THEREFOR  
AND DIRECTING THE COUNTY AUDITOR-CONTROLLER TO MAINTAIN TAXES  
ON THE TAX ROLL**

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**WHEREAS**, a duly called election was held in the Acton-Agua Dulce Unified School District (hereinafter referred to as the "District"), County of Los Angeles (the "County"), State of California, on November 4, 2008 (the "Election"), and thereafter canvassed pursuant to law;

**WHEREAS**, at such Election there was submitted and approved by the requisite 55% vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum principal amount of \$13,000,000 (the "2008 Authorization");

**WHEREAS**, pursuant to the 2008 Authorization, the District caused to be issued (i) its Acton-Agua Dulce Unified School District (Los Angeles County, California) General Obligation Bonds Election of 2008, Series A dated April 14, 2009 in the aggregate original principal amount of \$10,710,490.65 (the "Prior Bonds"), and (ii) its Acton-Agua Dulce Unified School District (Los Angeles County, California) General Obligation Bonds Election of 2008, Series 2009 dated April 14, 2009 in the aggregate original principal amount of \$2,288,946.75;

**WHEREAS**, pursuant to Articles 9 and 11 of Chapter 3 of Division 2 of Title 5 of the California Government Code, commencing with Sections 53550 and 53580, respectively (the "Refunding Law"), and a Resolution of the District Board of Trustees adopted on May 26, 2016 (the "District Resolution"), the District is authorized to issue and has determined to issue not to exceed \$7,500,000 principal amount of its "Acton-Agua Dulce Unified School District (Los Angeles County, California) 2016 General Obligation Refunding Bonds" (the "Bonds") in order to effect a refunding of a portion of the outstanding Prior Bonds;

**WHEREAS**, the Board of Supervisors of the County of Los Angeles (the "County Board") has been formally requested by the District to levy taxes in an amount sufficient to pay the principal of and interest on the Bonds when due, and to direct the Auditor-Controller of the County of Los Angeles (the "County Auditor-Controller") to maintain on its 2016-17 tax roll, and all subsequent tax rolls, taxes sufficient to fulfill the requirements of the debt service schedule for the Bonds that will be provided to the County Auditor-Controller by the District following the sale of the Bonds.

**WHEREAS**, the District has formally requested that the Treasurer and Tax Collector of the County of Los Angeles (the "County Treasurer") be appointed by the County Board to act as the authenticating agent, bond registrar, transfer agent and paying agent (collectively, the "Paying Agent") for the Bonds pursuant to the District Resolution.

**NOW THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

SECTION 1. Recitals. All of the above recitals are true and correct.

SECTION 2. Levy of Taxes. That this County Board levy taxes in an amount sufficient to pay the principal of and interest on the Bonds.

SECTION 3. Preparation of Tax Roll. That the County Auditor-Controller is hereby directed to maintain on its 2016-17 tax roll, and all subsequent tax rolls, taxes in an amount sufficient to fulfill the requirements of the debt service schedule for the Bonds, which will be provided to the County Auditor-Controller by the District following the sale of the Bonds.

SECTION 4. Paying Agent. That the County Treasurer act as Paying Agent for the Bonds. The County Treasurer is authorized to contract with a third party to perform the services of Paying Agent.

SECTION 5. Effective Date. That this Resolution shall take effect immediately upon its passage.

The foregoing resolution was, on the 2<sup>nd</sup> day of August 2016, adopted by the Board of Supervisors of the County of Los Angeles and *ex officio* the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.



LORI GLASGOW,  
Executive Officer-Clerk of the Board of  
Supervisors of the County of Los Angeles

By: Lachelle Smitheman  
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM,  
County Counsel

By: Thomas R. Parker  
Deputy County Counsel

**BOARD OF TRUSTEES  
ACTON-AGUA DULCE UNIFIED SCHOOL DISTRICT**

**RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF 2016 GENERAL OBLIGATION  
REFUNDING BONDS OF THE DISTRICT IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO  
EXCEED \$7,500,000 TO REFUND THE DISTRICT'S GENERAL OBLIGATION BONDS ELECTION  
OF 2008, SERIES A AND APPROVING RELATED DOCUMENTS AND ACTIONS**

**RESOLUTION NUMBER. 15-16.17**

WHEREAS, the Acton-Agua Dulce Unified School District (the "District") caused its Acton-Agua Dulce Unified School District (Los Angeles County, California) General Obligation Bonds Election of 2008, Series A to be issued on April 14, 2009 in the aggregate original principal amount of \$10,710,490.65 (the "Prior Bonds"); and

WHEREAS, the District has determined at this time to issue its Acton-Agua Dulce Unified School District, 2016 General Obligation Refunding Bonds in the aggregate principal amount of not to exceed \$7,500,000 (the "Refunding Bonds") for the purpose of refunding all or a portion of the Prior Bonds and thereby realizing financial savings to the District and the property taxpayers in the District; and

WHEREAS, the Board of Trustees of the District (the "Board") is authorized to provide for the issuance and sale of the Refunding Bonds pursuant to the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53550 of said Code (the "Bond Law"); and

WHEREAS, the Board wishes at this time to take its action approving the issuance and sale of the Refunding Bonds and documents and actions relating to the Refunding Bonds;

NOW, THEREFORE, the Board hereby finds, determines, declares and resolves as follows:

**SECTION 1 *Approval of Paying Agent Agreement.*** The proposed form of Paying Agent Agreement, by and between the District and U.S. Bank National Association (the "Paying Agent"), which is on file with the Clerk of the Board (the "Paying Agent Agreement") is hereby approved, and the Superintendent and Chief Business Official (each, an "Authorized Officer") are hereby authorized and directed, for and in the name and on behalf of the District, to execute and deliver the Paying Agent Agreement in substantially said form, with said additions thereto (including the insertion of the purchaser, maturity dates, principal amounts and interest rates of the Bonds) and changes therein as the Authorized Officer may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Board hereby authorizes the issuance of the Bonds pursuant to the terms of the Paying Agent Agreement, and the performance by the District of its obligations under the Paying Agent Agreement. The selection of U.S. Bank National Association, as Paying Agent is hereby approved and ratified.

**SECTION 2. *Findings and Determinations.*** Pursuant to Section 53552 of the Bond Law, the Board hereby finds and determines that the prudent management of the fiscal affairs of the District requires that the Refunding Bonds be issued under the Bond Law and in accordance with this Resolution. The total net interest cost to maturity on the Refunding Bonds plus the principal amount of the Refunding Bonds shall not exceed the total net interest cost to maturity on the Prior Bonds plus the principal amount of the Prior Bonds.

SECTION 3. *Sale of Refunding Bonds.* The Board hereby authorizes the Refunding Bonds to be sold by negotiated sale on a private placement basis to a qualified institutional buyer (a "Qualified Institutional Buyer") within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended (the "Securities Act"), or to an "accredited investor" as described in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act (an "Institutional Accredited Investor") pursuant to the terms of a Bond Purchase Contract with the purchaser of the Refunding Bonds in the form on file with the Clerk of the Board together with any changes therein or additions approved by a District Representative. The Superintendent, Chief Business Officer, and designees thereof are directed to cause sale of the bonds.

Alternatively based upon a recommendation of the District's financial advisor the Refunding Bonds may be sold by negotiated sale to an underwriter designated by the Superintendent in a non-private placement sale.

SECTION 4. *Approval of Escrow Agreement.* The Board hereby approves the refunding of the Prior Bonds pursuant to the Escrow Agreement, in substantially the form on file with the Clerk of the Board, together with any changes therein or additions thereto approved by an Authorized Officer, whose execution thereof shall be conclusive evidence of approval to any such changes or additions. The Escrow Agreement shall be executed in the name and on behalf of the District by an Authorized Officer, who is hereby separately authorized and directed to execute and deliver said form of Escrow Agreement on behalf of the District.

SECTION 5. *Tax Covenants.*

(a) Private Activity Bond Limitation. The District shall assure that the proceeds of the Refunding Bonds are not used so as to cause the Refunding Bonds to satisfy the private business tests of Section 141(b) of the Tax Code or the private loan financing test of Section 141(c) of the Tax Code.

(b) Federal Guarantee Prohibition. The District shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Refunding Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Tax Code.

(c) No Arbitrage. The District shall not take, or permit or suffer to be taken by the Paying Agent or the County or otherwise, any action with respect to the proceeds of the Refunding Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Refunding Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Tax Code.

(d) Maintenance of Tax-Exemption. The District shall take all actions necessary to assure the exclusion of interest on the Refunding Bonds from the gross income of the Owners of the Refunding Bonds to the same extent as such interest is permitted to be excluded from gross income under the Tax Code as in effect on the Closing Date.

(e) Exemption from Rebate Requirement. The District is a governmental unit with the power to impose taxes of general applicability which, when collected, may be used for general purposes of the District; the Refunding Bonds are not private activity bonds within the meaning of section 141 of the Internal Revenue Code of 1986 (the "Code"); and ninety-five percent (95%) of the Net Sale Proceeds of the Refunding Bonds are to be used for local governmental activities of the District. The aggregate face amount (or, issue prices, in the case of issues with a net original issue discount or net original issue premium in excess of two percent (2%) of the principal amount of the

issue, excluding original issue premium used for reasonable underwriter's compensation) of all tax-exempt obligations (other than private activity bonds as defined in section 141 of the Code) issued by the District, including all subordinate entities of the District and all entities which may issue obligations on behalf of the District, during the calendar year during which the Bonds are being issued, is not reasonably expected to exceed \$15,000,000, of which no more than \$5,000,000 is for other than the construction of public school facilities, excluding, however, that portion of current refunding obligations having a principal amount not in excess of the principal amount of the refunded obligation. By reason of the statements set forth in this subparagraph, the District will not rebate excess investment earnings, if any, to the federal government.


(f) Small Issuer Exemption from Bank Nondeductibility Restriction. The District hereby designates the Refunding Bonds for purposes of paragraph (3) of section 265(b) of the Tax Code and represents that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under section 103(a) of the Tax Code) from gross income for federal income tax purposes (excluding (i) private activity bonds, as defined in section 141 of the Tax Code, except certain qualified 501(c)(3) bonds as defined in section 145 of the Tax Code and (ii) current refunding obligations to the extent the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation), including the Refunding Bonds, has been or will be issued by the District, including all subordinate entities of the District, during the calendar year 2016.


SECTION 6. *Approval of Official Actions to Close Transaction.* The Superintendent, the Chief Business Officer, the Clerk of the Board and any and all other officers of the District are each alone authorized and directed in the name and on behalf of the District to execute and deliver any and all certificates, requisitions, agreements, notices, consents, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of the Refunding Bonds, including specifically a contract for professional services with Jones Hall, A Professional Law Corporation, as bond counsel, Caldwell Flores Winters, Incorporated as Financial Advisor, and a firm to be designated by the Superintendent as Placement Agent, the proposed forms of contracts between the District and such firms being on file with the Superintendent. Whenever in this Resolution any officer of the District is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable

SECTION 7. *Effective Date of Resolution.* This Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED this 26th day of May, 2016, by the following vote:

AYES: 4 NOES: 0 ABSENT: 0

  
\_\_\_\_\_  
President of the Board of Trustees  
Acton-Agua Dulce Unified School District

ATTEST:   
\_\_\_\_\_  
Clerk of the Board of Trustees  
Acton-Agua Dulce Unified School District